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25X German Democratic Republic

25X GDR MINISTRY FOR HEAVY INDUSTRY CRITICIZING
25X PLANNED ORE PRODUCTION

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25X some of the figures of the Five-Year Plan law are not entirely realistic.

25X following figures (all figures in 1,000 tons):

25X 1. Planned ore production: 1952 -- 750; 1953 -- 2,330; 1954 -- 2,600; 1955 -- 3,650.
25X these figures require revision, particularly from the point of
25X view of processing facilities, as follows: 1952 -- 750; 1953 -- 1,580; 1954 -- ~~22~~ 2,270; 1955
25X 3,540.

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25X 2. Following are the plan figures for brown-coal coke: 1952 -- 300; 1953 -- 1,300; 1954
25X 1,400; and 1955 -- 1,400. While the figures for 1954-1955 are correct,
25X The Lauchhammer brown coal coking plant, which must still
25X be erected, will not be able to deliver 300,000 tons in 1952. proposed production
25X plan figure of 200,000 tons of brown coal coke. [It may be assumed that Lauchhammer will be
25X the only GDR coking plant.] It will be unrealistic to plan for 1.3 million tons in 1953 since
25X that would presuppose the construction of two large-scale coking plants in 1952. No one in the
GDR believes this to be possible since no ~~xxx~~ operating experience is available as yet. Real-
istically speaking, the GDR can count on the completion of only one large-scale coking plant
in 1952 (capacity: 650,000 tons). In 1953, the production could be 650,000 tons plus the partial
production of the second large-scale coking plant.25X 3. The plan figure for electric power of the people-owned power plants is 11,032 million
25X kilowatt hours. it will be possible to produce no more than 10,287 million
25X kilowatt hours. the continued error of overestimating the power potential of
the people-owned power plants and underestimating that of the SAG (Soviet Corporation) power
plants. This situation results in plan overfulfillment by the SAG's and underfulfillment by the
people-owned power plants.

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4. The plan provides for the mining of 2,650,000 tons of copper ore in 1955. The figure
is composed of the operating output of 1.8 million tons of the Mansfeld mines; the remaining
850,000 tons are based on a questionable non-igneous ore (Sanderz) deposit. The inclusion of
these 850,000 tons is totally unrealistic.

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25X1 RESOLUTION FOR IMPROVEMENT OF PLAN PERFORMANCE ADOPTED BY THE GDR MINISTERIAL COUNCIL

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1. The third quarter report indicates that gross production plans for machine-building, electrical goods, and building materials were not fulfilled. The ~~repeatedly~~ criticism repeatedly voiced against the machine-building and electrical industries of being too slow in converting to vital production still applies. The production programs of the other branches of industry are not properly adjusted to demand. ~~Products~~ Some of the items not meeting plans are: Steam turbines, large turning lathes, trucks and tractors, castings and forgings, electric motors, bricks, and roofing tiles. The quality of some of the output does not meet standards and there are many rejects.

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3. Foreign trade -- ~~the~~ copper, electrolytic lead, and wool could not be imported. That situation had ~~an~~ adverse effects on the machine-building, electrical, and textile industries.

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7. ~~the~~ the wages in the people-owned industries did not develop in accordance with existing regulations. The necessary wage differentials are not maintained. ~~wages~~ wages of auxiliary mine workers were raised by 29.6 percent and for qualified miners by 28.9 percent. In petroleum and tar production, wages of auxiliary workers rose by 24.8 percent and for qualified workers by 18.5 percent. A similar situation prevails in cellulose and paper production, in paper and cardboard processing, and in the building industry. The Minister of Labor was requested to examine the situation in conjunction with the Ministers of Heavy Industry, ~~Light Industry~~ Light Industry, and Machine-Building and the State Secretariat for Foodstuffs, Beverages, and Tobacco and to take remedial action.

9. In the cost picture, the planned lowering of costs was not achieved, particularly in machine building and in the foodstuffs, beverages, and tobacco industry.

10. In the field of investments, too little attention is being paid to the investment plan. Power capacities have not been completed even though difficulties have arisen in power supply. In many cases, the machine-building industry did not assure deliveries of industrial installations [capital goods] particularly those for the establishment of key enterprises.--

The plan for cultural and social buildings in the people-owned industry has been neglected. The Main Administration of the Building Industry and the Ministry for Reconstruction pay only ~~insufficient~~ insufficient attention to the home-building program. The homes built are not ready for occupancy and therefore they are very inadequate.

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